

2023 AI Executive Order Revoked

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On January 20, 2025, President Donald Trump signed an [executive order](#) rescinding the 2023 directive issued by former President Joe Biden on artificial intelligence (AI). Biden's order outlined extensive measures aimed at guiding the development and use of AI technologies, including the establishment of chief AI officers in major federal agencies and frameworks for tackling ethical and security risks. This revocation signals a major policy change, transitioning away from the federal oversight put in place by the previous administration.

The move to revoke Biden's executive order has led to a climate of regulatory uncertainty for companies operating in AI-driven fields. In the absence of a unified federal framework, businesses could encounter various challenges, such as an inconsistent regulatory landscape as states and international organizations intervene, increased risks related to AI ethics and data privacy, and unfair competition among companies that implement differing standards for AI development and deployment.

Looking Forward

In light of this shift, companies are encouraged to adopt proactive measures to navigate the evolving environment. To uphold trust and accountability, it is essential to bolster internal governance by creating or improving ethical guidelines concerning AI usage. Organizations should also invest in compliance by monitoring state, international, and industry-specific regulations to align with new standards like [Colorado's Artificial Intelligence Act](#) and the EU's AI Act.

Additionally, staying informed about possible federal policy changes and legislative efforts is crucial, as further announcements may signal new directions in AI governance. Collaborating with industry groups and standards organizations can help shape voluntary guidelines and best practices, while robust risk management frameworks will be essential to mitigate issues such as bias, cybersecurity threats, and liability concerns.

To navigate this evolving landscape, organizations should consider taking the following steps now:

Strengthen Internal Governance: Develop or enhance internal AI policies and ethical guidelines to promote responsible and legally compliant AI use, even in the absence of federal mandates.

Invest in Compliance: Stay updated on state, international, and industry-specific AI regulations that could impact operations. Proactively align practices with emerging standards such as Colorado's Artificial Intelligence Act and the EU's AI Act.

Monitor Federal Developments: Keep a close eye on further announcements or legislative actions from Congress and federal agencies that could signal new directions in AI policy and regulation.

Engage in Industry Collaboration: Collaborate with industry groups and standards organizations to help influence voluntary AI standards and best practices.

Focus on Risk Management: Establish strong risk assessment frameworks to identify and address potential AI-related risks, including biases, cybersecurity threats, legal compliance, and liability concerns.

President Trump's decision reflects a preference for less regulation, increasing the responsibility on the private sector to ensure ethical and safe AI usage. Companies need to navigate an uncertain regulatory landscape while innovating responsibly. As circumstances change, businesses must stay alert and flexible to uphold their competitive advantage and public trust.

Author(s)

Aaron K. Tantleff

Partner